



Water Resources Program
Application for Change/Transfer
of Water Right

For Ecology Use
(Date Stamp)

RECEIVED

FEB 23 2012

DEPARTMENT OF ECOLOGY
EASTERN REGIONAL OFFICE

For filing with the Department of Ecology or with
County Water Conservancy Boards

**A NON-REFUNDABLE MINIMUM FEE OF \$50.00 MUST ACCOMPANY THIS APPLICATION
IF FILED WITH THE DEPARTMENT OF ECOLOGY**

(Check all that apply.)

- ☒ Change purpose(s) of use
☐ Add purpose(s) of use
☒ Change point(s) of diversion/withdrawal
☐ Add point(s) of diversion/withdrawal
☒ Change/transfer place of use
☐ Other (i.e. consolidation, intertie, trust water)

Explain: _____

FOR OFFICIAL USE ONLY

DATE APPLICATION RECEIVED 1/16/12
CHECK NO. 486219 FEE \$ 1,000⁰⁰
DATE ACCEPTED 2/20/12 BY WLM
CHANGE NO. STEV-12-01
COUNTY Stevens WRIA 6A
SPECIAL AREA _____

SEPA: ☒ EXEMPT ☐ NOT EXEMPT

ECY CODING: 001-002-WR10285-000011

APP NO. _____ PERMIT NO. _____

CERT NO. _____ CERT OF CHG NO. _____

****IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS (PLEASE PRINT OR TYPE CLEARLY)****

1. Applicant Information

APPLICANT/BUSINESS NAME Avista Corporation	PHONE NO. (509) 495-2571	FAX NO. (509) 495-4852
ADDRESS Environmental Affairs Dept., MSC-1, PO Box 3727		
CITY Spokane	STATE WA	ZIP CODE 99220-3727
CONTACT (IF DIFFERENT FROM ABOVE) Linda Kiefer, for Avista Corporation	PHONE NO. (509) 495-2571	FAX NO. (509) 495-4852
ADDRESS Environmental Affairs Dept., MSC-1, PO Box 3727		
CITY Spokane	STATE WA	ZIP CODE 99220-3727
LEGAL LAND OWNER or PART OWNER OF PROPOSED PLACE OF USE Avista Corporation	PHONE NO. (509) 495-2571	FAX NO. (509) 495-4852
ADDRESS Environmental Affairs Dept., MSC-1, PO Box 3727		
CITY Spokane	STATE WA	ZIP CODE 99220-3727

2. Water Right Information

WATER RIGHT OR CLAIM NUMBER Surface Water Right Certificate No. 10372(B)	RECORDED NAME(S) Avista Corporation
DO YOU OWN THE RIGHT TO BE CHANGED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
IF NO, PROVIDE OWNER(S) NAME and ADDRESS: _____	
HAS THE WATER BEEN PUT TO BENEFICIAL USE IN THE LAST FIVE (5) YEARS? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

Please attach copies of any documentation that demonstrates consistent, historical use of water since the right was established. Also, if you have a water system plan or conservation plan, please include a copy with your application.

3. Point(s) of Diversion/Withdrawal:

A. Existing

SOURCE	NO.	¼	¼	SEC.	TWP.	RGE.	PARCEL #	WELL TAG #
Falls Pump Station	#1	SW	SE	11	36	37		
Well (5/5/11 Chg. Auth. No. 10372)	#2	SW	NE	14	36	37	8000997	BBL793
Well (5/5/11 Chg. Auth. No. 10372)	#3	SW	NE	14	36	37	8000997	BCN998
Well (5/5/11 Chg. Auth. No. 10372)	#4	SW	NE	14	36	37	8000997	
Well (5/5/11 Chg. Auth. No. 10372)	#5	NW	SE	14	36	37	1701700	
Well (5/5/11 Chg. Auth. No. 10372)	#6	NW	SE	14	36	37	1701700	
Well (5/5/11 Chg. Auth. No. 10372)	#7	NW	SE	14	36	37	1701700	

B. Proposed

SOURCE	NO.	¼	¼	SEC.	TWP.	RGE.	PARCEL #	WELL TAG #
Well (5/5/11 Chg. Auth. No. 10372)	#2	SW	NE	14	36	37	8000997	BBL793
Well (5/5/11 Chg. Auth. No. 10372)	#3	SW	NE	14	36	37	8000997	BCN998
Well (5/5/11 Chg. Auth. No. 10372)	#4	SW	NE	14	36	37	8000997	
Well (5/5/11 Chg. Auth. No. 10372)	#5	NW	SE	14	36	37	1701700	
Well (5/5/11 Chg. Auth. No. 10372)	#6	NW	SE	14	36	37	1701700	
Well (5/5/11 Chg. Auth. No. 10372)	#7	NW	SE	14	36	37	1701700	

DO YOU OWN THE EXISTING AND PROPOSED POINT(S) OF DIVERSION/WITHDRAWAL?

EXISTING: ☒ YES AND ☒ NO PROPOSED: ☒ YES ☐ NO – IF NO, PROVIDE OWNER(S) NAME: Avista owns all of the well locations for Wells #2-7, and the City of Kettle Falls owns the Falls Pumping Station that is listed under the existing Points of Diversion. The proposed change would remove the Falls Pumping Station from Avista's Surface Water Right Certificate No. 10372(B).

Please include copies of all water well reports involved with this proposal. Also, if you know the distances from the nearest section corner to the above point(s) of diversion/withdrawal, please include that information in Item No. 6 (remarks) or as an attachment.

4. Purpose of Use:

A. Existing

PURPOSE OF USE	GPM or CFS	ACRE-FT/YR	PERIOD OF USE
Municipal	240 gpm (0.535 cfs)	200	Continuous each year

B. Proposed

PURPOSE OF USE	GPM or CFS	ACRE-FT/YR	PERIOD OF USE
Industrial	240 gpm (0.535 cfs)	200	Continuous each year

5. Place of Use:

A. Existing

LEGAL DESCRIPTION OF LANDS WHERE WATER IS PRESENTLY USED:

Area served by the City of Kettle Falls (aka Town of Kettle Falls).

1/4	1/4	SEC.	TWP.	RGE.	COUNTY	PARCEL #	# OF ACRES
			36	37 & 38	Stevens		

DO YOU OWN ALL THE LANDS IN THE EXISTING PLACE OF USE? ☒ YES ☐ NO

IF NO, PROVIDE OWNER(S) NAME: _____

B. Proposed

LEGAL DESCRIPTION OF LANDS WHERE NEW USE IS PROPOSED:

A reduced area within the existing Place of Use, specifically land owned by Avista Corporation located within the NE1/4 and SE1/4 of Section 14, T. 36 N., R. 37 E.W.M., including Avista parcels: No. 8000997, 1701700, and 1701400, as further described below:

Avista Parcel No. 8000997:

All that part of the NE1/4 of Section 14, Township 36 North, Range 37 East, W.M., in Stevens County, Washington, being further described as follows:

Beginning at the East 1/4 corner of said Section 14, said point being marked with a 1-inch pipe; thence along the South line of the NE1/4 of said Section 14, S 87°47'49"W a distance of 402.32 feet to a point on the westerly right of way line of U.S. Highway No. 395, and the true Point of Beginning of the tract to be described; thence along the westerly right of way of said Highway No. 395 the following five courses and distances: N 34°21'43"W 1138.06 feet; N 45°40'19"W 101.98 feet; N 34°21'43"W 700.00 feet; N 17°39'46"W 104.40 feet; N 34°21'43"W 211.28 feet; thence S 55°38'17"W a distance of 206.31 feet to a point on the easterly right of way line of the Burlington Northern Railroad; thence along the easterly right of way line of said Railroad the following three courses and distances: S 13°33'30"W 564.00 feet; N 76°26'30"W 30.00 feet; S 13°33'30"W 906.16 feet; to the beginning of the tangent curve concave to the left of 2814.70 feet radius; thence continuing along said right of way line along said curve a distance of 396.16 feet to a point on the South line of the NE1/4 of said Section 14; thence N 87°57'49"E a distance of 1872.13 feet to the true Point of Beginning.

Avista Parcel No. 1701700:

That part of the NW1/4 of the SE1/4 of Section 14, Township 36 N., Range 37 E.W.M., in Stevens County, Washington, lying East of the right of way for the Great Northern Railway Company.

Avista Parcel No. 1701400:

The N1/2 of the NE1/4 of the SE1/4, the SW1/4 of the NE1/4 of the SE1/4 and the N1/2 of the SE1/4 of the NE1/4 of the SE1/4 of Section 14, Township 36 N., Range 37 E.W.M., in Stevens County, Washington, EXCEPT right of way for Primary State Highway No. 3, Meyers Falls to Kettle Falls bridge, conveyed to State of Washington, by deed recorded in Volume 104 of Deeds, page 538, and deed recorded under auditor's file No. 499697. EXCEPT that portion of the N1/2NE1/4SE1/4 lying North and East of Primary State Highway No. 3.

1/4	1/4	SEC.	TWP.	RGE.	COUNTY	PARCEL #	# OF ACRES
	SE & NE	14	36	37	Stevens	Incl. Parcel No's. 8000997, 1701700, & 1701400	

DO YOU OWN ALL THE LANDS IN THE PROPOSED PLACE OF USE? ☒ YES ☐ NO

IF NO, PROVIDE OWNER(S) NAME: _____

Attach a detailed map of your proposed change/transfer. The map should show existing and proposed point(s) of diversion/withdrawal, place of use and any other features involved with this application. If platted property, please include a certified copy of the plat map.

Are there any ADDITIONAL WATER rights OR CLAIMS RELATED to the same property as the ONE PROPOSED FOR CHANGE/TRANSFER?

☒ YES ☐ NO - IF YES, PROVIDE THE WATER RIGHT/CLAIM NUMBER(S): **G3-30632A, a 'budget neutral' application.**

6. Remarks and Other Relevant Information:

BACKGROUND:

For the past 30 years, Avista's Kettle Falls Generating Station (KFGS) has been provided municipal industrial water supply by the City of Kettle Falls from the City's water supply system, which includes Surface Water Right No. 10372. The original 30-year water supply agreement between Avista and the City of Kettle Falls is due to expire in March 2012. As part of a new water supply agreement between both parties, the City has been working with Avista to help Avista with permitting necessary for the development of a new water supply system for Avista's KFGS, to help reduce the industrial water demand on the City's current limited ground water supply system. The new well field will be owned and operated by Avista and located on Avista property adjacent to KFGS. When the new water supply system is fully developed, KFGS will greatly reduce its demand on the City's current water system, which in turn will make available a large quantity of potable water supply currently being used for industrial supply by KFGS for other municipal water uses within the City's water supply service area. The reduced water use by KFGS will also help the City meet peak summer instantaneous demands and other limited capacity concerns from the City's current water supply system.

WATER RIGHT CHANGE AUTHORIZATION NO. 10372 (STEV 10-06) – FOR ADDITIONAL POINTS OF WITHDRAWAL:

On March 21, 2011, the Stevens County Water Conservancy Board (Board) recommended approval of Application for Change STEV 10-06 for Surface Water Right No. 10372 to the Washington State Department of Ecology. On May 5, 2011, the Dept. of Ecology affirmed the Board's recommendation and approved Water Right Change Authorization No. 10372 (STEV 10-06). The purpose of that change is to provide additional points of withdrawal, which will in turn reduce demand on the City's current municipal water supply system, to help the City meet peak summer instantaneous demands, and to lower the demand on the limited capacity of the City's existing ground water supply system.

The approved Water Right Change Authorization No. 10372 (STEV 10-06) authorizes the development of six new wells on Avista property for the purpose of providing direct industrial water supply to KFGS. The industrial water supply is used for steam plant generation, with twenty percent (20%) of the water supply non-consumptive, which is returned to Lake Roosevelt under the Dept. of Ecology's NPDS Permit No. WA-0045217. Under the authorized Change, three wells may be developed within Avista's Parcel No. 8000997 and three within Avista's Parcel No. 1701700. Avista's new well field is to be developed in hydraulic continuity with Lake Roosevelt, so that water supplied from these wells will be from the same water source that has historically been used under Surface Water Right No. 10372. (*Copies of Ecology's Final Order (dated May 5, 2011), SCWCB's Record of Decision on STEV 10-06 (dated March 21, 2011), and STEV 10-06 Report of Exam are attached for the record.*)

As of January 2012, two of the authorized six wells have been developed within the authorized area of Parcel No. 8000997, as described in Section 3 of this report and as described in the attached Ecology Final Order for STEV 10-06. (*Copies of the two well logs are attached for the record.*) Pump tests have been completed on both wells, and the resulting reports have confirmed that the water from these wells is in hydraulic continuity with Lake Roosevelt. 'Weekly water level measurements collected from the test well [well #2] show ground water elevations increasing and decreasing in response to changes in lake stage' (*see attached Report of Exam for STEV 10-06 under Surface Water Certificate No. 10372, (3/21/11) under Hydraulic Continuity Evaluation, pg. 7, pp. 6.*) In addition, well tests taken in November 2011 on well #3 have shown the same results.

ASSIGNMENT OF A PORTION OF SURFACE WATER RIGHT NO. 10372 TO AVISTA:

The City of Kettle Falls has been providing water supply to Avista's KFGS for the past 30 years under Surface Water Right No. 10372. In December 2011, the City of Kettle Falls submitted an application for assignment to the Dept. of Ecology to assign a portion of Surface Water Right No. 10372 to Avista under Water Right Change Authorization No. 10372 (STEV 10-06) (*see attached Cover Letter and Assignment Application dated December 22, 2011*). The assignment will complete Avista's water rights permit package needed for the operation of Avista's new water supply system. The Department of Ecology approved this assignment on January 23, 2012, and has assigned Avista's portion of this water right the following identification: **Surface Water Right Certificate No. 10372(B)**. The portion retained by the City is identified as the (A) portion (Surface Water Right Certificate No. 10372(A)) (*see attached Dept. of Ecology's Assignment of a Portion of the Change...letter, dated 1/23/2012*).

REQUEST THREE CHANGES FOR SURFACE WATER RIGHT CERTIFICATE NO. 10372(B):

(1) CHANGE PURPOSE OF USE:

Request to change the Purpose of Use for Avista's Surface Water Right Certificate No. 10372(B), from 'municipal' to 'industrial'. Industrial water was supplied to KFGS under the original Surface Water Right Certificate No. 10372 for the past 30 years, through the City of Kettle Falls' municipal water supply system. On 1/23/2012, the Department of Ecology approved the City's application for assignment of a portion of the Water Right Change Authorization No. 10372 to Avista, which portion is now referred to as Avista's Surface Water Right Certificate No. 10372(B) and the City's remaining portion as Surface Water Right Certificate No. 10372(A). This change will clarify that water supplied under Surface Water Right Certificate No. 10372(B) to Avista's KFGS is for industrial purposes only, and no longer from the City's municipal water supply system.

(2) CHANGE POINTS OF DIVERSION/WITHDRAWAL:

Request to change the Points of Diversion/Withdrawal for Avista's Surface Water Right Certificate No. 10372(B), by 'reducing the existing points of diversion/withdrawal' to include only the authorized Wells No. 2-7 located on Avista property, under the Water Right Change Authorization No. 10372 issued 5/5/2011. This change would remove the City of Kettle Falls' existing point of diversion called the 'Falls Pumping Station' from Avista's Water Right Certificate No. 10372(B). The Falls Pumping Station will remain on the City's Surface Water Right Certificate No. 10372(A).

(3) CHANGE PLACE OF USE:

Request to change the Place of Use for Avista's Surface Water Right Certificate No. 10372(B), from the existing area served by the City of Kettle Falls, to a 'reduced area' of land owned by Avista Corporation within the NE1/4 and SE1/4 of Section 14, Township 36 N., Range 37 E.W.M., in Stevens County, including Avista's Parcel No's. 8000997, 1701700, and 1701400, as further described in the legal descriptions in Section 5.B. of this application, under Proposed Place of Use.

IF FOR SEASONAL OR TEMPORARY, START DATE ____/____/____ END DATE ____/____/____

Certain applications may incur a Real Estate Excise Tax liability for the seller of the water rights. The Department of Revenue has requested notification of potential taxable water right related actions and therefore may be provided with a copy of this request. For further information, contact: Department of Revenue, Real Estate Excise Tax, PO Box 47477, Olympia, WA 98504-7477. Phone (360) 570-3265.

7. Signatures:

I certify that the information above is true and accurate to the best of my knowledge. I understand that in order to process my application, I am hereby granting staff from the Department of Ecology or the County Conservancy Board access to the above site(s) for inspection and monitoring purposes. If assisted in preparing this above application, I understand that all responsibility for the accuracy of the information rests with me.

Avista Corporation

Applicant Printed Name - Title

Applicant Signature

2/16/2012

(Date)

Avista Corporation

Water Right Holder Printed Name

Water Right Holder Signature

2/16/2012

(Date)

Avista Corporation

Land Owner of Existing Place of Use Printed Name

Land Owner of Existing Place of Use Signature

2/16/2012

(Date)

Avista Corporation

Land Owner of Proposed Place of Use Printed Name

Land Owner of Proposed Place of Use Signature

2/16/2012

(Date)

Please check the region in which the project is located:

*Submit your application to: DEPARTMENT OF ECOLOGY CASHIERING SECTION PO BOX 47611 OLYMPIA, WA 98504-7611	<input type="checkbox"/> Central Regional Office 15 W Yakima Avenue, Suite 200 Yakima, WA 98902 (509) 575-2490	<input checked="" type="checkbox"/> Eastern Regional Office 4601 N. Monroe Street Spokane, WA 99205-1295 (509) 329-3400
	<input type="checkbox"/> Northwest Regional Office 3190 – 160 th Avenue SE Bellevue, WA 98008-5452 (425) 649-7000	<input type="checkbox"/> Southwest Regional Office PO Box 47775 Olympia, WA 98504-7775 (360) 407-6300

WE ARE RETURNING YOUR APPLICATION FOR THE FOLLOWING REASON(S):

- ☐ APPLICATION FEE NOT ENCLOSED ☐ MAP NOT INCLUDED or INCOMPLETE
- ☐ ADDITIONAL SIGNATURES REQUIRED ☐ SECTION _____ IS INCOMPLETE
- ☐ OTHER/EXPLANATION: _____

STAFF: _____ **DATE:** ____/____/____